GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:376
ANSWERED ON:12.12.2016
Integrated Coffee Development Project
Simha Shri Prathap

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the salient features of the Integrated Coffee Development Project (ICDP) being implemented by the Coffee Board along with the funds sanctioned for the project indicating the year in which Coffee Board started receiving funds under ICDP;

(b) whether the Government has stopped release of subsidy to this Project and is proposing to reduce funds allocation to the Coffee Board and if so, the details thereof and the reasons therefor;

(c) whether the coffee growers are being given compensation for crop losses due to erratic rainfall under the Rainfall Insurance Scheme for Coffee and if so, the compensation disbursed under the scheme during the last three years, State/UT-wise;

(d) whether the Government is contemplating to add green coffee beans to the exempted list in the proposed Goods and Services Tax and if so, the details thereof; and

(e) whether the Coffee Board was not able to convene Meeting of its Directors for a long time owing to the non appointment of a regular Chairman to the Board and if so, the details thereof along with the steps taken to appoint the Chairman?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

a) to e): A Statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 376 FOR ANSWER ON 12th DECEMBER, 2016 REGARDING "INTEGRATED COFFEE DEVELOPMENT PROJECT"

(a) Integrated Coffee Development Project (ICDP) was envisaged to contribute towards improvement in the production, productivity and quality of coffee produced in India, to promote export of coffee in the international market and to increase domestic consumption. The salient features of ICDP are :

(i) To extend all round support to the coffee growing sector in terms of development of improved varieties/production technologies.
(ii) Effective transfer of technology from lab to land through innovative extension approaches.
(iii) Capacity Building of stakeholders to improve their skill and competence in coffee production, processing, quality improvement, marketing etc.
(iv) To provide need based incentives at threshold levels to encourage new investments that can contribute towards improvement of production, productivity and quality of coffee produced in the country.
(v) Promotion of Indian coffee in the export and domestic market

The implementation guidelines of the scheme were approved on 18.12.2014 with a total outlay of Rs.950 Crores. The funds released for the ICDP project are as under:
(Rs. In crores)
Year Funds released
2014-15 95.51
2015-16 95.80
2016-17
(up to November 2016) 71.05

(b) The fund allocation under any project is subject to availability of budget. The details of subsidy released under the ICDP are as under.

(Rs. In Crores)
Year Total
2014-15 47.25
2015-16 44.80
2016-17
(up to November 2016) 39.55

(c) Yes, Madam. The coffee growers are being given compensation for crop losses due to erratic rainfall under Rainfall Insurance Scheme for Coffee (RISC). The compensation disbursed under the scheme during the last three years, State-wise is as under:

State Compensation disbursed under RISC (Amount Rs. lakhs)
2013-14 2014-15 2015-16
Karnataka - 15.65 36.12
Kerala 29.44 7.58 -
Tamil Nadu 0.70 - -
Total 30.14 23.23 36.12

(d) As per Article 279(4) (b) of the Constitution, the Goods and Services Tax Council shall make recommendations to the Union and the States on the goods and services that may be subjected to, or exempted from the goods and services tax. The tax treatment on green coffee beans under the proposed GST regime will therefore, be decided based on the recommendations of the Goods and Services Tax Council.

(e) No, Madam. Meeting of the Board could not be held due to cases pending in High Court of Karnataka.

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